

John / Cohen / Ammen
03-1530
(Serial No. 09/054,565)

SOLICITOR #25

FEB 19 2004

U.S. PATENT & TRADEMARK OFFICE

In The
United States Court of Appeals
For The Federal Circuit

IN RE JACK RICHARD SIMPSON

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US COURT OF APPEALS
FEDERAL CIRCUIT

APPEAL FROM THE UNITED STATES PATENT AND
TRADEMARK OFFICE, BOARD OF PATENT APPEALS AND
INTERFERENCES.

REPLY BRIEF OF APPELLANT

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Date of Brief: February 17, 2004

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I. INTRODUCTION

No one would argue that the Rilitz patent shows Mr. Simpson's invention. After all, Mr. Simpson's invention is a rotary cutting die that forms corrugated containers by cutting and stripping scrap from a corrugated board. Rilitz, on the other hand, is simply a cutter for cutting a web 3 into equal size sheets 26. Rilitz is not a machine for cutting scrap from corrugated board, and contrary to the PTO's argument, is not inherently capable of receiving a piece of corrugated board and cutting scrap therefrom and stripping the scrap from the corrugated board by urging the cut scrap piece against an anvil as the scrap piece exits the nip.

In analyzing Mr. Simpson's claims, the United States Patent and Trademark Office (PTO) elected to selectively ignore a host of both structural and functional limitations that distinguish Mr. Simpson's invention from the Rilitz disclosure. First, the PTO takes the structural limitations "scrap blade" and "scrap stripper" and construes them to simply mean any type of "blade" and any type of "stripper." That is, the PTO dissects these structural terms and converts the term "scrap blade" to simply "blade" and converts the term "scrap stripper" to "stripper." Then the PTO takes the position that any kind of blade and anything that can be called a stripper meet the structural limitations of "scrap blade" and "scrap stripper."

After ignoring the structural limitations in the claims, the PTO addresses the host of functional limitations by relying on the doctrine of inherency. The PTO

does not maintain that these functional limitations are necessarily present in the Rilitz disclosure. Rather, the PTO simply maintains, without any analysis or explanation, that Rilitz is “capable” of performing these functions. There is no basis, either intrinsically or extrinsically, for this conclusion. The notion that inherency can be established by the so-called “capability” of the machine is troublesome and is inconsistent with the basic principles of inherency as set forth *In re Robertson*, 169 F.3d 743,745 (Fed. Cir. 1999). (Holding that inherency may not be established by probabilities or possibilities).

Finally, there were a number of structural limitations that the Board failed to even address as being either expressly met by Rilitz or met through the doctrine of inherency. Claim 1, for example, calls for both an “anvil” and a “cutting die” in both the preamble and the body of the claim, and therefore, are indeed structural limitations of the claim.

II. RILITZ DOES NOT DISCLOSE THE STRUCTURAL ELEMENTS OF MR. SIMPSON’S CLAIMS

A. RILITZ DOES NOT DISCLOSE A SCRAP BLADE AND A SCRAP STRIPPER.

The PTO presumes that the claims only include three structural elements: 1) a base, 2) a blade, and 3) a stripper. That is error. Rilitz’s knife is not a “scrap blade”, and Rilitz’s guide 13 is not even a “stripper” and certainly is not a “scrap stripper” as defined in claims 1 and 15. No authority has been advanced by the

Patent Office for the proposition that claim terms meant to define a structural element can be dissected, and further, that portions of the dissected terms can be ignored for purposes of a Section 102 analysis. Mr. Simpson acknowledges that a portion of these structural terms do have functional connotations. However, that in and of itself is not a basis for dissecting a structural term and ignoring a portion of the structural term even if that portion does have some functional connotation. In truth, many structural terms used by patent practitioners have functional connotations. For example, typical claim terms such as friction brake, hand brake, and centrifugal clutch all include functional connotations and are commonly used to refer to a structural element in a patent claim.

Effectively the PTO has misconstrued the scrap stripper and scrap blade terms, and has misconstrued the elements of the Rilitz cutting device. Whether one is referring to claim construction or is construing a reference, the view is always from the perspective of a person of ordinary skill in the art. There is no evidence before the Court that suggests that the term “scrap blade” can be construed so broadly as to cover any type of blade so long as the blade performs some type of cutting operation. Likewise, there is no evidence before the Court that would suggest that the term “scrap stripper” can be construed so broadly as to cover a resilient guide such as the guide 13 in Rilitz. The converse is also true.

No evidence before the Court suggests that the knife 8 and the guide 13 of Rilitz constitute a scrap cutting blade and a scrap stripper.

B. CONTRARY TO THE PTO’S ARGUMENT, THERE ARE MORE THAN THREE STRUCTURAL ELEMENTS IN THE CLAIMS

The PTO attempts to reduce Mr. Simpson’s claimed invention to only include three structural elements: 1) base, 2) blade, and 3) stripper. A review of claim 1 for example, reveals that the claim not only includes the scrap blade and scrap stripper discussed above, but also includes the structural limitations of a “cutting die” and an “anvil.”

As noted in Mr. Simpson’s opening brief, while “cutting die” and “anvil” are used in the preamble, they appear in the body of claim 1 as well, and hence are limitations that must be met in an anticipation analysis. See *Pitney Bowes, Inc. v. Hewlett Packard Co.*, 182 F.3d 1298, 1305 (Fed. Cir. 1999) (structural terms recited in the preamble are limiting when such is necessary to give life, meaning and vitality to the claim).

Likewise, claim 15, in the preamble, calls for one or more scrap cutting blades. This term is used in the body of the claim as well. See paragraph c of claim 15.

The PTO ignores the fact that the structural term “anvil” appears both in the preamble and the body of claim 1. This is because it is clear that Rilitz does not

include an anvil. However, the PTO argues that the Board treated the recitation of the anvil as a functional limitation and concluded that the Rilitz cutting device was inherently capable of acting against an anvil. PTO's Br. at 27. There is no such finding by the Board. Put simply, both the Examiner and the Board attempted to ignore the structural limitation of the anvil.

III. THE FUNCTIONAL LIMITATIONS FOUND IN MR. SIMPSON'S CLAIMS ARE NOT PRESENT IN THE RILITZ PATENT UNDER THE DOCTRINE OF INHERENCY.

A. THE PTO'S ARGUMENT THAT FUNCTIONAL INHERENCY IS PRESUMED IS WRONG.

The PTO maintains that, as a matter of law, functional inherency is presumed when the claimed structure is shown in the alleged anticipating reference. PTO's Br. at 15-16. That it is not the law and the holding in *In re Schreiber*, 128 F.3d 1473, 1478 (Fed. Cir. 1997). No such legal presumption is articulated in *Schreiber*.

Schrieber claimed a dispensing top for holding and dispersing several kernels of popped popcorn at a time. The claim basically called for a top having a conical shape and an opening at each end and means at the enlarged end of the top to embrace the open end of the container and that the taper of the top was uniform. Those were the structural limitations of the claim. There were additional functional limitations in the preamble and body calling for the opening at the reduced end to allow several kernels of popcorn to pass through at the same time

and that the top was tapered so as to jam up the popped popcorn at the end of the cone to permit the dispensing of only a few kernels at a time.

This Court affirmed the Board's holding of anticipation based on a patent to Harz. However, it does not appear that the Court presumed that the Harz's spout dispenser (funnel) inherently functioned as claimed based on the fact that the Harz funnel showed the structural elements of the claim. To the contrary, the finding of functional inherency was specific and indeed extensive:

Moreover the Board found as a factual matter that the top disclosed in Figure 5 of the Harz patent 'is capable of functioning to dispense kernels of popped popcorn in the manner set forth in claim 1.' Starting with Schreiber's assumption that Harz should be limited to use as an attachment to an oil can, the Board scaled Figure 5 to the proportions necessary to fit the Harz container on the top of a standard 1-quart oil can, as Schreiber suggested in his request for reconsideration. After scaling the Harz figure in that manner, the Board found that the Harz dispenser would be capable of dispensing popcorn in the manner set forth in claim 1 of the Schreiber patent.

Schreiber at 1479-80. Thus, the Board in *Schreiber* did not presume functional inherency. The Board actually engaged in a fairly extensive fact finding exercise. It took the Harz oil can funnel and scaled it up to a size that would correlate to a size that would fit on a 1-quart oil can. Then the Board looked at the size and dimensions of the funnel and after examining it closely determined that popcorn could pass through the oil can funnel just as set forth in Mr. Schreiber's claims. There was no presumption of functional inherency here.

**B. THE FINDING OF FUNCTIONAL INHERENCY IS
CONCLUSIONARY AND NOT SUPPORTED BY
SUBSTANTIAL EVIDENCE.**

In the office action that preceded the final rejection, claims 1 and 15 were rejected as being anticipated by Rilitz et al. The total basis for the rejection was as follows:

Rilitz et al. discloses a cross-cutter comprising all the elements claimed including, inter alia, a base (7,9); at least one scrap cutting blade (8, 11); and at least one scrap stripper (13, 14). See whole patent.

A 208. That is the entire extent of the Examiner's findings with respect to anticipation. The Examiner does not even mention inherency.

Then in the final rejection, the Examiner simply repeated the anticipation rejection set forth above. A237. The Examiner does respond to arguments presented by Mr. Simpson to the last office action. The Examiner notes that no significant patentable weight has been given to the corrugated board recitations, since, as the Examiner sees it, such is simply an intended use limitation. With respect to the function of the scrap stripper, the Examiner simply proclaims that it is not clear how the guides of Rilitz would not be construed as scrap ejectors. The Examiner then argues that the guides of Rilitz inherently perform the same function as the claimed invention whenever the Rilitz apparatus cuts an unwanted or undesirable portion from the web, since the guides of Rilitz would act on all of the to-be-cut portions of the web. A243. This conclusion, in a final rejection, is

based on the proposition that the guides of Rilitz would act on unwanted or undesirable portions of the web 26. Rilitz does not discuss cutting scrap from the web. Further, nothing in Rilitz supports such a finding. Rilitz does not deal with unwanted or undesirable material and certainly does not deal with scrap in the context of Mr. Simpson's claims. The PTO's finding is conclusionary and unsupported.¹ A8.

Now turning to the decision of the Board, the entire inherency analysis and finding is as follows:

The Applicant has not cogently explained or established, nor is it apparent, why Rilitz's lower rotary drum 2a and the components mounted thereon are not inherently capable of use as a die cutter for cutting and ejecting scrap from a corrugated board. Thus, Rilitz meets the functional limitations in claims 1 and 15 under principles of inherency.

A8. That is the total extent of the Board's inherency analysis and findings. The Board in a most conclusionary fashion simply takes the position that Rilitz is capable of performing all the recited functions in Mr. Simpson's claims. There is no fact finding at all. There is no analysis whatsoever that compares the claimed invention with the functional aspects of the Rilitz disclosure. At a minimum the Examiner should provide some evidence or scientific reasoning to establish the reasonableness of the Examiner's belief that the functional limitations at issue are

¹ The Court should note that the first time the Examiner suggested that the claims are met through inherency is in the final rejection, and even then only in response to the preceding arguments of Mr. Simpson.

an inherent characteristic of the Rilitz patent. No such evidence or reasoning was put forth by either the Examiner or the Board. Apparently the PTO recognized this and argued for a presumption of functional inherency. This approach to establishing functional inherency and shifting the burden to the applicant is not supported by precedent and should not be adopted in this case. A *prima facie* case of anticipation has not been made.

Unlike *Schreiber*, the Board never seriously considered, at least from a technical point of view, whether Rilitz was indeed capable of being transformed into a rotary cutting die for cutting and stripping scrap from corrugated blanks. In *Schreiber*, the Board went to the trouble of redrawing or scaling the oil can funnel to a proper size that would fit on a one quart oil can and then examined the resulting funnel and determined that popcorn would indeed pass through the funnel just as claimed. The Board actually determined that if a batch of popcorn was placed in the funnel that the popcorn would be dispensed therefrom in the manner claimed. Again, there is no comparable analysis or fact finding in this case.

It is interesting to note the conclusions of the Board as set forth above with respect to inherency. The conclusion is simply that the Rilitz device is “capable of use as a die cutter for cutting and ejecting scrap from a corrugated board.” That is not the entirety of the functional limitations in the claims. Note, for example, that the scrap stripper functions to urge “the cut scrap piece against the anvil as the

scrap piece exits the nip.” Contrary to the PTO’s argument neither the Examiner nor the Board ever made a factual finding of functional inherency here. The PTO argues that the finding was that Rilitz is capable of cooperating with an anvil to perform that function. PTO Br. at 27. That is not functional inherency. That is pure speculation and conjecture.

The burden is on the PTO to first make out a prima facie case of inherency. This cannot be done by simply assuming or proclaiming in conclusionary fashion that the elements of a claim are inherently present in a cited reference. To establish inherency, the burden is first on the PTO to show through evidence that missing descriptive matter is necessarily present in the thing described in the reference, and that it would be so recognized by persons of ordinary skill. *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999). Again, inherency can never be established by possibility or probability, nor can inherency be based on speculation or conjecture. In this case the proclamation by the PTO and the Board is nothing more than speculation and conjecture and is totally unsupported. *Robertson* at 745.

**C. THE TIMELINESS OF THE EXAMINER’S
ARGUMENTS WITH RESPECT TO FUNCTIONAL
INHERENCY**

It is worth noting that the PTO continues to refer to the Examiner’s answer to the Board as support for the arguments and alleged findings concerning

functional inherency. As best as can be determined, the PTO's Brief does not argue that appropriate findings of fact were made prior to Mr. Simpson filing his appeal brief to the Board.

Besides the issues presented herein, the Examiner asserted five other grounds in rejecting Claims 1 and 15 and other claims in this case. The Board reversed the Examiner on all of these other grounds. Simpson Br. at 1-2. Even before the appeal to the Board, the Examiner issued four separate office actions putting forth multiple grounds for rejecting the same claims. A66-75, A154-160, A204, 221, and A234-245. Between these office actions, Mr. Simpson was forced to file a Notice of Appeal and a brief to the Board which was never considered because the Examiner withdrew a prior final action and reopened prosecution. Now the PTO maintains that the Examiner found and the Board affirmed that Rilitz's rotary cutter is capable of performing each of the claimed functions. PTO Br. at 16. Here the PTO cites to the Examiner's answer to Mr. Simpson's brief to the Board. Id., A316-317. After four separate office actions and after two briefs filed with the Board, the Examiner in his answer to the Board, makes an attempt at establishing anticipation through inherency. A316-17. As discussed above, even at this point, the findings are not supported by substantial evidence. But even if they were, it is fundamentally unfair and improper for an Examiner to even attempt to make out a prima facie case of anticipation in his or her answer to the Board.

That should have been done in a non-final office action when Mr. Simpson could have at least considered rebutting the findings.

IV. *SCHREIBER* DOES NOT SUPPORT THE BOARD'S DECISION

The *Schreiber* popcorn funnel and the Harz oil can funnel appear to be structurally identical. That is not the case here. The claim to the *Schreiber* popcorn funnel claimed a dispensing top having a conical shape and an opening at each end and means at the enlarged end of the top to embrace the open end of a container and that the taper of the top was generally uniform. That was the extent of the structural limitations claimed and it is clear that the claim defines a funnel. From purely a structural point of view, there is no doubt that the Harz funnel anticipated the structural elements of the claim. That is not the case here. The Rilitz patent does not include a scrap cutting blade, a scrap stripper, an anvil, a cutting die, etc.

Secondly, the Board in *Schreiber* engaged in an extensive factual analysis of the Harz funnel. The Board went to the trouble to redraw and scale up the funnel to a size that would fit on a 1 quart oil can. After this the Board examined what would happen if popcorn was placed in the funnel. It was only after this that the Board concluded that the popcorn would move through the funnel just as claimed. In this case neither the Examiner nor the Board took the time to examine what would happen if a sheet of corrugated board was fed into the Rilitz cutting device.

Under the best of conditions, all that would happen is that the Rilitz device would cut the corrugated board into sheets just like it cuts the web 3 into sheets of 26. The Board could not have concluded that the guides 13 would strip cut scrap pieces from the blade and urge the cut scrap piece against an anvil as the cut scrap pieces exit the nip. In short, the findings of the Examiner and the Board are at best conclusionary.

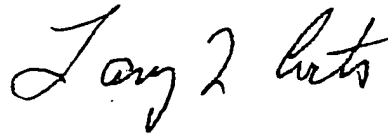
Schreiber's holding as to the facts of this case are understandable. However, it does not appear that *Schreiber* has been extensively applied by this or other courts. As this Court and its predecessor have pointed out many times, there is nothing inherently wrong with utilizing functional language in a claim. The concern with *Schreiber* is that it may be viewed as a license to ignore meaningful functional limitations in a claim by simply finding commonality between the structural elements of a claim and a cited reference.

V. CONCLUSION

For the foregoing reasons, the decision of the Board affirming the Examiner's rejection of claims 1-7, 15-21, 24, 26 and 28 under 35 USC §102(b) should be reversed.

Respectfully submitted,

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Dated: February 17, 2004

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VI. CERTIFICATE OF FILING AND SERVICE

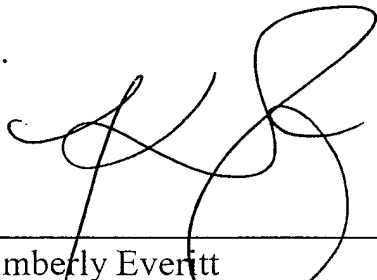
I hereby certify that on this 17th day of February, 2004 two (2) bound copies of the foregoing Reply Brief of Appellant were served via U.S. mail, postage pre-paid, addressed to the following:

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I also certify that on this 17th day of February, 2004, the required number of the Reply Brief of Appellant were hand filed at the Office of the Clerk, United States Court of Appeals for the Federal Circuit.

The necessary filing and service to Counsel were performed in accordance with the instructions given me by counsel in this case.



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